New Jersey over the last year, and that amount has declined even further in recent months.

64.   MetroTeleconnect also claims Verizon provides inaccurate bills. Metro Teleconnect at 4. Metro Teleconnect raises two claims with respect to Verizon's billing. Both are without merit. First, Metro Teleconnect claims that "as much as 20 percent of the charges listed on each Verizon wholesale bill are incorrect," pointing to the "inconsistent application of the 32% initial promotional discount to which Verizon agreed as part of its merger conditions." Metro Teleconnect at 4. Verizon performs monthly bill validations in New Jersey specifically to check for the application and calculation of the merger condition discount. Sample accounts are randomly selected from a master list which is provided by the Resale Product Managers. In New Jersey, we have found the resale merger discount to be properly applied and accurately calculated in every instance. Although Verizon has received claims concerning merger discounts from Metro Teleconnect, Verizon's analysis of these claims indicates that the discount is being properly applied; the claim appears to be the result of Metro Teleconnect using an incorrect formula. For example, in one instance Metro Teleconnect failed to add back credits which Verizon applied to the Other Charges & Credits section of the bill before calculating the discount.

65.   Second, Metro Teleconnect, along with the National ALEC Association, raises a "new concern[ ]" with the charges Verizon imposes on resellers for blocking, and Verizon's allegedly "recently instituted policy" requiring resellers to purchase blocking or be liable for casual calling, third-party, and collect charges incurred by their end users.

Metro Teleconnect at 5; NALA at 5-6. These are not billing claims, but are actually a contract dispute between Metro Teleconnect and Verizon.

66.   Verizon's blocking policy, as described in the Industry Letter that Metro Teleconnect cites in its comments, is not a new policy. *See* Attachment 16. The Industry Letter does not revise or change Verizon's policy. The Industry Letter simply reviews Verizon's position on resellers' responsibility for charges incurred by their end user customers. Verizon's position has always been that the reseller bears responsibility for all charges for Verizon retail telecommunications services which the reseller's end users order, activate or use by way of or in association with the basic dial-tone service which Verizon provides for resale. This position is reflected in and is consistent with the terms of the resellers' agreements with Verizon.

67.   Moreover, this policy does not "impermissibly shift the risks and costs" of charges incurred by the reseller's end user to the reseller from Verizon. Nor is the policy unfair to resellers such as Metro Teleconnect which orders its lines with a "PIC NONE" or "LPIC NONE" designation. Verizon has advised Metro Teleconnect and other resellers repeatedly that – as the Commission is well aware – a PIC NONE or LPIC NONE designation does not operate to block end users from making 10-10XXX intraLATA toll calls. In fact just the opposite is true – a PIC NONE designation requires all toll calls to be dialed with a 10-10XXX prefix in order to access the desired carrier's network. PIC NONE or LPIC NONE simply means that there is no presubscribed interexchange carrier for that line – *i.e.*, that long distance calls cannot be made by dialing "1+". As described in Verizon's Industry Letter, the reseller may block its end

users' ability to make 10-10XXX intraLATA toll calls by ordering Verizon's call blocking services.

68.   Metro Teleconnect also alleges that Verizon "expressly disclaims responsibility for the effectiveness of the blocks it provides," citing the Toll Billing Exception screening process. Metro Teleconnect at 6. The Toll Billing Exception screening process is not a blocking service for 10-10XXX calls – as noted above, Verizon offers other services to block those calls. Upon a reseller's request, Verizon will provide Toll Billing Exception screening services, without charge, to prevent the billing of certain third number and collect calls to an end user. Verizon has advised resellers in its CLEC handbook and in its industry letter that this screening service is not guaranteed to prevent the billing of all third number and collect calls, and may be effective only when operators from all carriers access and abide by the line information database ("LIDB") response system. *See* http://128.11.40.241/east/wholesale/customer_docs/master.htm (Reseller Handbook, Volume III, Section 5.4.). Not all operators or inter-exchange carriers have elected to participate in this screening process. For these reasons, Verizon also advised resellers in its CLEC handbook and its industry letter that the screening service is not guaranteed to prevent the billing of all end user collect or third number calls and that the reseller must make its end users aware that the screening service is not all inclusive, that some calls may go through, and that the end user will be billed accordingly. As noted above, the reseller, not Verizon, is responsible to bill the resellers' customers for third number and collect calls. In this regard, the reseller is in no different position than a CLEC that provides service through unbundled network elements (whether using its own or Verizon's unbundled switching), or than Verizon is with respect to its own retail end

users. All are dependent on other carriers and operators to check LIDB before putting a third party or collect call through.

69.   DOJ expresses concern with the "apparent recent deterioration in billing performance." DOJ Eval. at 7, n. 31. DOJ's concern appears to be based on the January results for performance measure BI-3-03-2020 (% Billing Adjustments), which "rose to over 10 percent in January." *Id.* at 7, n. 28.[3] DOJ describes this measure as "the percentage of bill amounts in dispute," but in fact it is the amount of adjustments due to billing errors credited in a month as a percentage of the total current charges billed in that month. As we have previously explained, this measure is flawed. McLean/Wierzbicki/Webster Reply Decl. ¶ 45. The numerator is the total amount of dollars credited to CLECs as a result of billing errors or settlements in the reporting month, regardless of when CLECs submitted the claims for the errors or what month(s) the errors occurred in. The denominator is the current charges billed to CLECs in the reporting month. This means that the credits reported in a month do not relate to the charges billed in that month and could, in fact, relate to multiple months being compared against a single month's charges, or to an error from several months ago that has already been corrected. As DOJ itself notes, this measure dropped to less than one percent in February, DOJ Eval. at 7, n. 28, and as we demonstrate above, Verizon's performance on other billing measures has continued to be strong.

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[3] To the extent DOJ's comment is based on the increased number of commenters raising "billing" issues, that is simply a reflection of increased activity in the New Jersey market, not of increased billing problems. As described above, the issues raised by these commenters do not reflect any systemic problem with Verizon's billing system.
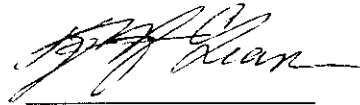
REDACTED – For Public Inspection

V.   CONCLUSION

70.   Verizon's OSS are presently handling actual commercial volumes of CLEC transactions in New Jersey with excellent performance. In addition to this real world proof, Verizon's interfaces, support systems, and processes passed every element of KPMG's comprehensive third-party test. Verizon's handling of actual commercial transactions and the extensive testing of the interfaces, support systems and processes, demonstrate that Verizon provides CLECs in New Jersey with nondiscriminatory access to its OSS, allowing them to offer local service in substantially the same time and manner as Verizon itself.

71.   This concludes our supplemental reply declaration.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on April _18_, 2002

Kathleen McLean

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on April 15, 2002
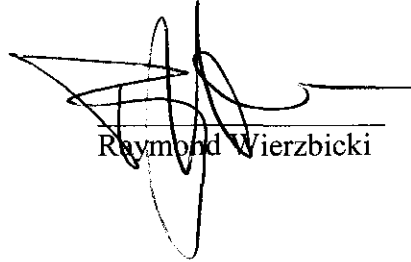
Raymond Wierzbicki

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on April 18, 2002

Catherine T. Webster
Catherine T. Webster

SUPPLEMENTAL REPLY DECLARATION OF
KATHLEEN McLEAN, RAYMOND WIERZBICKI, AND
CATHERINE T. WEBSTER

ATTACHMENT 1

REDACTED – FOR PUBLIC INSPECTION

REDACTED – FOR PUBLIC INSPECTION

SUPPLEMENTAL REPLY DECLARATION OF
KATHLEEN McLEAN, RAYMOND WIERZBICKI, AND
CATHERINE T. WEBSTER

ATTACHMENT 2

REDACTED – FOR PUBLIC INSPECTION

REDACTED – FOR PUBLIC INSPECTION

SUPPLEMENTAL REPLY DECLARATION OF KATHLEEN McLEAN, RAYMOND WIERZBICKI, AND CATHERINE T. WEBSTER

ATTACHMENT 3

From: BA Change Control
Date: 04/05/2002 12:20:27 PM
Subject: CENTREX UNE/Platform Ordering Flexibility Added in Verizon South

All -

Verizon has added flexibility to the CENTREX ordering process for UNE and UNE-Platform CENTREX in Verizon South (PA, NJ, DE, MD, VA, DC, and WVA).
Verizon will continue to accept requests for CENTREX 'As Is' migrations. However, there is no longer a requirement to send in the UNE Switch Port Centrex Request- Common Block Detail form nor detail the features and feature codes on the LSR Port Service form.

Effective immediately, CLECs ordering New, As Specified, and Disconnect requests for Verizon UNE and UNE-P CENTREX service have two choices regarding the process they choose to order CENTREX, which are outlined below.

Alternative #1.
For New, As Specified, and Disconnects for UNE/UNE-P Centrex and UNE/UNE Platform Centrex with AD9 CLECs can continue to use the ordering process outlined in the Industry Letter of October 19, 2001 titled *Availability of Assume Dial 9 Features on CENTREX UNE and CENTREX Platform in Verizon South.* You will still be required to include the Centrex Questionnaire , (C) as identified in the Industry Letter
For your information, the Industry Letter referenced here may be found on the Verizon website at the following:

http://www22.verizon.com/wholesale/frames/generic_frame_east/0,2656,industry_letters,00.html

Alternative #2
For New, As Specified, and Disconnects for UNE/UNE-P Centrex and UNE/UNE Platform Centrex with AD9 CLECs now have another alternative. If you wish to choose this ordering option Verizon will no longer require any Centrex Questionnaire, also known as the UNE Switch Port Centrex Request- Common Block Detail form, to accompany a CLEC's LSR when ordering.

With Alternative #2, requests for all As-Specified and new CENTREX transactions must identify and include all the correct features and feature codes (USOCs and FIDs) on the LSR to enable Verizon to generate the appropriate internal provisioning information to provision the requested service properly. Failure to populate all of the required ordering codes may result in queries or service installations that are not complete. To assist you with the UNE & UNE-P ordering codes, a spreadsheet identifying the specific USOCs and FIDs for the various available CENTREX features is attached. Please note that these codes are specific by type of switch.

For your information, details on the description and operation of the various Centrex features can be found on the Verizon Resale website under National Market Centers Operations Resources, Verizon of DE, MD, NJ, PA, VA, WV or DC Resale Resources at the following :
http://128.11.40.241/east/wholesale/resources/master.htm

CENTREX WHOLESALE FEATURES - UNE & UNE-P USOCs & FIDs

Thank you

UNE & UNE-Platform CENTREX Feature USOCs and FIDs		
5ESS - NON-ISDN	UNE & UNE-Platform CENTREX	UNE & UNE-Platform CENTREX
FEATURE	FID	USOC
Anonymous Call Rejection WITH Caller-ID		AYW
Anonymous call Rejection WITHOUT Caller-ID		AYK
Automatic Callback Calling	/ACBK	
Automatic Route Selection (ARS)	/ARS *ARC ARGPNAME.,FRLLINE.,ARSSI. &	AS4PS /DXC
Call Block		NX5
Caller ID		NXD
Caller ID Deluxe		NN2
Call forwarding Busy - All calls	/CFW *CFBLAC FWDTODN.#	
Call forwarding Busy - External	/CFW *CFBLIO FWDTODN.#	
Call forward busy/don't answer		
Call forwarding don't answer - All calls	/CFW *CFDAAC FWDTODN.#, TIMEOUT.#	
Call forwarding don't answer - External	/CFW *CFDIAO FWDTODN.#, TIMEOUT.#	
Call forwarding Variable - All calls	/CFV (* /CFW IS USED WITH MULIT-PATH FWD)	
Call Hold	/CHD	
Call Park	/CPUO *CPBPARK	
Call Pick-up	/CPUO *CPUO SELQ1./CPUT *CPUT TPREDQ.	
Call Trace		NST
Call transfer - All calls	/MWC *MWCTIAI	
Call transfer - Intra group	/MWC *MWCTI01	
Call waiting - originating	/CWTG *CWO	
call waiting - terminating	/CWTG *CWT	
Conference Arrangement (6-port)	/MWC *MW6WC	EAA
Directed call park	/CPUO *CPDPARK	
Directed call pick-up with barge-in	/CPUO *CPUDO	
Directed call pick-up without barge-in	/CPUO *CPDNO	
Distinctive ringing/call waiting tone	/DRDT	
Executive Busy overide	NOT AVAILABLE IN 5ESS	
Identa-Ring		/DRG1X OR /DRG2X
Last number redial	NOT AVAILABLE IN 5ESS	
Multi-path forwarding	/CFW #,SIMINTER.#	EYM
Music on hold		MHD
Priority Call		NX2
Repeat Call		NX8
Return Call		NX9
Select Forward		NX6
Speed calling long - individual	/SCF *SC2C	
Speed calling long - shared	/SCF *SC2C SC2NAME	
Speed calling short - individual	/SCF *SC1C	
Speed calling short - shared	/SCF *SC1C SC1NAME	
Three-way calling & consultation hold	/TWC	
Ultra Forward		FRC
AD-9 Centrex Lines		
UNE Port - CENTREX Analog Line w/AD-9		UPHAX
Platform CENTREX-Analog lines w/AD-9		UPHBX
UNE Port - CENTREX Analog Line - Option B w /AD-9 (Valid only in PA)		UPHCX
NOTES:		
Call Forwarding Features - # Denotes a telephone number, i.e. digits required to be dialed to reach the forwarded to number, which may include a "9" or other number, if required on the Centrex.		
Multi-path Forwarding - # Denotes number of simultaneous paths		

UNE & UNE-Platform CENTREX Feature USOCs and FIDs		
DMS100 & DMS10- NON-ISDN	UNE & UNE-Platform CENTREX	UNE & UNE-Platform CENTREX
FEATURE	FID	USOC
Anonymous Call Rejection WITH Caller-ID		AYW
Anonymous Call Rejection WITHOUT Caller-ID		AYK
Automatic Callback Calling	/ACBK (DMS 100 only)	
Automatic Route Selection (ARS)		AS4PS /DXC
Call Block		NX5
Caller ID		NXD
Caller ID Deluxe		NN2
Call forwarding Busy - All calls	/CFBU #	
Call forwarding Busy - External	/CFBE #	
Call Forward Busy / Don't Answer		
Call forwarding don't answer - All calls	/CFDU #RCYC #	
Call forwarding don't answer - External	/CFDE #/RCYC #	
Call forwarding Variable - All calls	/CFV	
Call Hold	/CHD	
Call Park	/PRK (DMS 100 ONLY)	
Call Pick-up	/CPG	
Call Trace		NST
Call transfer - All calls	/CXR CTALL	
Call transfer - Intra group	/CXR CTINTRA	
Call waiting - originating	/CWTG CWO (DMS 100 ONLY)	
call waiting - terminating	/CWTG CWT	
Conference Arrangement (6-port)	/EAN CO6	EAA
Directed call park	/DCPK (DMS 100 ONLY)	
Directed call pick-up with barge-in	/DCPW (DMS 100 ONLY)	
Directed call pick-up without barge-in	/DCPO (DMS 100 ONLY)	
Distinctive ringing/call waiting tone	/DRDT (DMS 100 ONLY)	
Executive Busy overide	/EBO (DMS 100 ONLY)	
Identa-Ring		DRG1X/DRG2X
Last number redial	/LNR (DMS 100 ONLY)	
Multi-path forwarding (DMS 100 ONLY)	/CFSO SIM Y, NCFU #,NCFB #,NCFD #,SCRN N	EYM
Music on hold	(DMS 100 ONLY)	MHD
Priority Call		NX2
Repeat Call		NX8
Return Call		NX9
Select Forward		NX6
Speed calling long - individual	/SCLG	
Speed calling long - shared	/SCRL	
Speed calling short - individual	/SCSH (DMS 100 ONLY)	
Speed calling short - shared	/SCRS (DMS 100 ONLY)	
Three-way calling & consultation hold	/TWC	
Ultra Forward		FRC
AD-9 Centrex Lines		
UNE Port - CENTREX Analog Line w/AD-9		UPHAX
Platform CENTREX-Analog lines w/AD-9		UPHBX
UNE Port - CENTREX Analog Line - Option B w		UPHCX
NOTES:		
Call Forwarding Features - # Denotes a telephone number, i.e. digits required to be dialed to reach the forwarded to number, which may include a "9" or other number, if required on the Centrex.		
Call Forwarding Don't Answer - All Calls and External - RCYC# is number of Ring Cycles requested before forwarding		
Multi-path forwarding -# Denotes number of simultaneous paths requested		

UNE & UNE-Platform CENTREX Feature USOCs and FIDs		
1AESS - NON-ISDN	UNE & UNE-Platform CENTREX	UNE & UNE-Platform CENTREX
FEATURE	FID	USOC
Anonymous Call Rejection WITH Caller-Id		AYW
Anonymous Call Rejection WITHOUT Caller-Id		AYK
Automatic Callback Calling	/ACBK	
Automatic Route Selection (ARS)		AS4PS /DXC
Call Block		NX5
Caller ID		NXD
Caller ID Deluxe		NN2
Call forwarding Busy - All calls	/CFBU #	
Call forwarding Busy - External	/CFBE #	
Call forward Busy / Don't Answer		
Call forwarding don't answer - All calls	/CFDU #/RCYC #	
Call forwarding don't answer - External	/CFDE #/RCYC #	
Call forwarding Variable - All calls	/CFV	
Call Hold	/CHD	
Call Park	NOT AVAILABLE IN 1AESS	
Call Pick-up	/CPG	
Call Trace		NST
Call transfer - All calls	/MWC E2H	
Call transfer - Intra group	/MWC E2H (SAME)	
Call waiting - originating	/CWTG CWO	
call waiting - terminating	/CWTG CWT	
Conference Arrangement (6-port)	/EAN 6	EAA
Directed call park	NOT AVAILABLE IN 1AESS	
Directed call pick-up with barge-in	/DCPW	
Directed call pick-up without barge-in	/DCPO	
Distinctive ringing/call waiting tone	/DRDT	
Executive Busy override	NOT AVAILABLE IN 1AESS	
Identa-Ring		/DRG1X or /DRG2X
Last number redial	NOT AVAILABLE IN 1AESS	
Multi-path forwarding	NOT AVAILABLE IN 1AESS	
Music on hold		MHD
Priority Call		NX2
Repeat Call		NX8
Return Call		NX9
Select Forward		NX6
Speed calling long - individual	/SCLG/SCG	
Speed calling long - shared	/SCRL /SCG	
Speed calling short - individual	/SCSH	
Speed calling short - shared	SCRS	
Three-way calling & consultation hold	/TWC	
Ultra Forward		FRC
AD-9 Centrex Lines		
UNE Port - CENTREX Analog Line w/AD-9		UPHAX
Platform CENTREX-Analog lines w/AD-9		UPHBX
UNE Port - CENTREX Analog Line - Option B w		UPHCX
NOTES:		
Call Forwarding Features - # Denotes a telephone number, i.e. digits required to be dialed to reach the forwarded to number, which may include a "9" or other number, if required on the Centrex.		
Call Forwarding Don't Answer - All Calls and External - RCYC# is number of Ring Cycles requested before forwarding		

UNE & UNE-Platform CENTREX Feature USOCs and FIDs		
EWSD - NON-ISDN	UNE & UNE-Platform CENTREX	UNE & UNE-Platform CENTREX
FEATURE	FID	USOC
Anonymous Call Rejection WITH Caller-Id		AYW
Anonymous Call Rejection WITHOUT Caller-Id		AYK
Automatic Callback Calling	/ACBK	
Automatic Route Selection (ARS)		AS4PS /DXC
Call Block		NX5
Caller ID		NXD
Caller ID Deluxe		NN2
Call forwarding Busy - All calls	/CFBU #	
Call forwarding Busy - External	/CFBE #	
Call forward busy / don't answer		
Call forward don't answer - All calls	/CFDU #/RCYC #	
Call forward don't answer - External	/CFDE #/RCYC #	
Call forward Variable - All calls	/CFV	
Call Hold	/CHD	
Call Park	/PRK	
Call Pick-up	/CPG	
Call Trace		NST
Call transfer - All calls	/MWC CTA	
Call transfer - Intra group	/MWC CTIGO	
Call waiting - originating	/CWTG CWO	
call waiting - terminating	/CWTG CWT	
Conference Arrangement (6-port)	/EAN 6	EAA
Directed call park	NOT AVAILABLE IN EWSD	
Directed call pick-up with barge-in	/DCP DPU.Y	
Directed call pick-up without barge-in	/DES DPN.Y	
Distinctive ringing/call waiting tone	/DRDT	
Executive Busy override	NOT AVAILABLE IN EWSD	
IdentaRing		/DRG1X or /DRG2X
Last number redial	NOT AVAILABLE IN EWSD	
Multi-path forwarding	/CFW CFV UNRES. CFVMFL.#	EYM
Music on hold		MHD
Priority Call		NX2
Repeat Call		NX8
Return Call		NX9
Select Forward		NX6
Speed calling long - individual	/SCLG	
Speed calling long - shared	/SCRL	
Speed calling short - individual	/SCSH	
Speed calling short - shared	/SCRS	
Three-way calling & consultation hold	/TWC	
Ultra Forward		FRC
AD-9 Centrex Lines		
UNE Port - CENTREX Analog Line w/AD-9		UPHAX
Platform CENTREX-Analog lines w/AD-9		UPHBX
UNE Port - CENTREX Analog Line - Option B w		UPHCX
NOTES:		
Call Forwarding Features - # Denotes a telephone number, i.e. digits required to be dialed to reach the forwarded to number, which may include a "9" or other number, if required on the Centrex.		
Call Forwarding Don't Answer - All Calls and External - RCYC# is number of Ring Cycles requested before forwarding		

4

SUPPLEMENTAL REPLY DECLARATION OF
KATHLEEN McLEAN, RAYMOND WIERZBICKI, AND
CATHERINE T. WEBSTER

ATTACHMENT 4

REDACTED – FOR PUBLIC INSPECTION